

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF COLUMBIA GAS OF) CASE NO. 2012-00477
KENTUCKY)

ORDER

On October 26, 2009, in Case No. 2009-00141,¹ the Commission approved rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment in accordance with Columbia's Gas Cost Adjustment ("GCA") clause.

On October 29, 2012, Columbia filed its proposed GCA to be effective November 28, 2012.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Columbia's Expected Gas Cost ("EGC") is \$5.6583 per Mcf, an increase of \$.6867 per Mcf from its last EGC of \$4.9716 per Mcf.
3. Columbia's notice sets out a rate for Banking and Balancing Service of \$.0208 per Mcf.

¹ Case No. 2009-00141, Application of Columbia Gas of Kentucky, Inc. for an Adjustment in Rates (Ky. PSC Oct. 26, 2009).

4. Columbia's notice sets out no current quarter supplier Refund Adjustment ("RA"). Columbia's notice sets out a total RA of (\$.0286) per Mcf, which represents an increase of \$.0040 per Mcf from the prior RA of (\$.0326) per Mcf.

5. Columbia's notice sets out its Actual Cost Adjustment ("ACA") of (\$1.3382) per Mcf, which represents no change from the previous ACA.

6. Columbia's notice sets out its Balancing Adjustment ("BA") of (\$.0736) per Mcf, which represents no change from the previous BA.

7. Columbia's notice sets out a Special Agency Service refund adjustment of (\$.0002) per Mcf, which represents no change from the previous rate.

8. Columbia's notice sets out its Gas Cost Incentive Adjustment ("GCIA") of \$.0189 per Mcf, which represents no change from the previous GCIA.

9. Columbia's approved Gas Cost Recovery rate ("GCR") is \$4.2366 per Mcf, which is an increase of \$.6907 per Mcf from the previous GCR of \$3.5459 per Mcf.

10. The rates in the Appendix to this Order are fair, just, and reasonable and should be approved for billing for the December 2012 billing cycle, beginning on November 28, 2012.

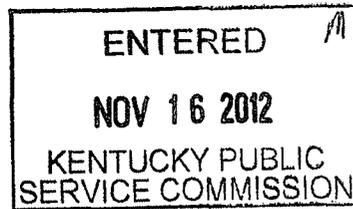
IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for billing with the final meter readings beginning on November 28, 2012.

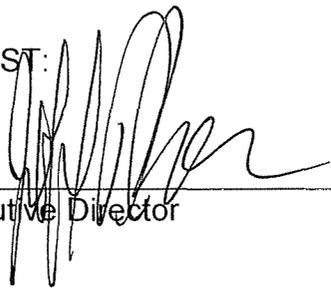
2. Within 20 days of the date of this Order, Columbia shall file its revised tariff sheets with this Commission setting out the rates authorized herein and reflecting that they were approved pursuant to this Order.

By the Commission

Commissioner Breathitt is abstaining from this proceeding.



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00477 DATED NOV 16 2012

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Gas Cost Recovery Rate

The total Gas Cost Recovery Rate shall be \$4.2366 per Mcf effective November 28, 2012.

SUMMARY OF PURCHASED GAS ADJUSTMENT FILING
for Columbia Gas of Kentucky, Inc.

Case No.: 2012-00477
Filing Date: October 29, 2012
Proposed Effective Date: November 28, 2012
Approved Effective Date: November 28, 2012

Wholesale Gas Suppliers: Southern, Reliant, El Paso, Duke,
AEP, Aquila

Wholesale Rate: Increased \$.6867 per Mcf
Retail Rate: Decreased \$.6907 per Mcf

Gas Cost Recovery Rate Components:

Expected Gas Cost	\$ 5.6583
Refund Adjustment	(.0286)
Actual Adjustment	(1.3382)
Balance Adjustment	(.0736)
SAS Refund Adjustment	(.0002)
Gas Cost Incentive Adjustment	<u>.0189</u>
GCR	\$ 4.2366
Previous GCR	\$ 3.5459

Prepared by: Leah Faulkner

Date: November 14, 2012

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